

MEETING MINUTES
WATER QUALITY ASSURANCE REVOLVING FUND ADVISORY BOARD
ADEQ, 1110 West Washington, Phoenix Arizona, Room 250
April 28, 2006

Board Members in attendance:

Kelly Barr	Karen Gaylord
Tamara Huddleston	Richard Bark
Amanda Stone	Frank Corkhill
Karen O'Regan	Rick Lavis
Bridget Bero	Steve Besich
Jim Vieregg	Nicholas Wallwork
Glinda Oakes	Karen Masbruch
Manuel Ramirez	Hsin -I Lin

Board Members Absent:

Jennifer Boucek

The meeting was called to order at 9:05

I. Welcome/Opening Comments/Administrative Issues-

- A. Meeting Schedule** – Chairman Lavis reviewed the remaining meeting scheduled for the year.
- B. Confirmation of Members** – Chairman Lavis stated Board members who were up for reappointment were confirmed except for Karen Gaylord. She will be addressed at the next meeting. Jennifer Boueck who was nominated as the Governors representative has resigned due to a new job.
- C. Presentation to Don Richey** – Postponed to end of meeting.

II. Approval of February 24, 2006 minutes – Ms. Kelly Barr moved and Ms. Karen O'Regan seconded to approve the minutes as presented. The board approved the minutes as submitted.

III. Report of the Nominating Committee – Ms. Barr reported that Mr. Lavis was asked to stay on as WQARF Board chairman for another year and Mr. Wallwork was nominated as Vice Chairmen. Ms. Barr moved and Mr. Vieregg seconded the motion. Mr. Lavis stated he is happy to serve another year. The issues that he wants to continue for this coming year include; the budget footnote, the 10 year plan that needs to be adopted, a revised EE scoring model and implementation, a dry cleaner program and continued work with the ongoing legislature relationships.

IV. Resignation of Don Richey/Appointment of new Superfund Manager – Ms. Amanda Stone reported that an appointment has not been made for the new Superfund Manager, but that active recruitment is in process. Ms. Stone also discussed her plan to help with retainment of staff and recruit new employees to the program. Ms. Stone announced that two new project managers will be starting.

Ms. Barr requested an organization chart of the section including vacancy rate and the distribution of filled and non-filled positions. The Board offered help in acquiring project managers if needed.

V. Special Report -

A. Arizona Chamber of Commerce; presentation

- 1. Recommendation for WQARF Program** – Mr. Kimball was asked to attend and explain the recommendation. This item was postponed due to Mr. Kimball's absence.

Return to item I on agenda Don Richey presentation – Chairman Lavis expressed appreciation for leadership and involvement that Mr. Richey had on the WQARF Board. A plaque was presented in honor of his years of service. Mr. Richey gave remarks, wished the best to all and described his new job.

VI. Departmental Reports

- A. ADWR** – Mr. Frank Corkhill referenced the March 2006 report provided in the members' packets. The well inventory has begun for 20th Street and Factor in Yuma. A staff member attended a Klondyke tailings staff meeting. Chairman Lavis inquired about Payson PCE. Mr. Corkhill explained that the request was for the data in a different format. He also commented that employee retention is also an issue for ADWR as well.
- B. ADEQ** – Ms. Stone previously shared personnel issues. Ms. Stone referred to Ms. Roberts to give the department report. Ms. Roberts summarized the report given to Board members in their packets.
Ms. Barr questioned what settlements have been received for Central and Camelback and 32nd and Indian School and cost projections for those sites. Discussion was held on the process to find RP's and how cost projections are figured.
Chairman Lavis asked about East Washington Fluff's plan on tax sale and about how the State of Arizona owns the property since there was no buyer; the site is still hazardous underneath the cap but there is no threat to groundwater. Ms. Stone added that the county and state are still in discussion on placing a DUER on the property. More discussion was held on issues regarding other properties that have a completed remedy.
 - 1. Status of the ADEQ Drycleaners Survey** – The survey was completed and the draft report was submitted in February 2006. Ms. Roberts stated that more information needs to be added, there were over 2000 entities identified. Ms. Roberts explained the scope of the survey to the Board members. Chairman Lavis requested the board members to receive a copy of the report and to have it presented at the year end review meeting. The board asked questions on various aspects of the reports content.
Ms. Gaylord asked to have an estimate of the total cleanup cost up to today of the drycleaners sites on the list and what we expected to face in terms of financial need for future sites. She would like the department to

have an outside party look into the total cost for cleaning up sites on the list. Chairman Lavis summarized the total picture and current list. Mr. Stein proposed to make contact and send a questionnaire to dry cleaners on the list. Ms. Roberts stated that some person interviews were conducted as part of the survey.

Chairman Lavis commented on the three scenarios that arose from discussion: 1- short term what's on the list, 2-long term what is not on the list and 3- find from existing what they used from a questionnaire. Ms. Stone will discuss with the contractor and internally to address this issue to get a proposal. A list can be generated on cost for those on the list now but she asked for later reporting to the Board after this quarter. Chairman Lavis requested a summary of the budget of expenditures for sites from the last three years. Mr. Bark began a discussion on best management practices for dry cleaners in other states and how they can be used here. Chairman Lavis would like an update of funding through FY06 by June, and then present the report by June 15. Also, the long term cost to clean up current site and also those not on the list. Ms. Stone offered to give a modified contract to address those issues. Ms. Stone feels that September 2006 is a reasonable time to get the report. Ms. Roberts was asked to circulate the draft prospects to the contract. Further discussion was requested by June on the questionnaire and where it will go and what to ask.

VII. Committee Reports

- A. Budget & Finance Committee** – Mr. Wallwork referred to the expenditures statements in the packets. Mr. Wallwork stated that 41% of the expenditures were completed for 2006. All numbers are in line with pervious years for the 4th quarter.
 - 1. 2007 Budget** – On hold till session complete but the WQARF Board is anticipating \$15 million.
 - 2. 2007 Budget Footnote: Richard Bark** – Mr. Bark summarized the proposed change to have the WQARF board do the review. The report is due by December 1, 2006. The other change is having ADEQ submit a budget. In addition, by October 2006, the previous table submitted for Senator Burns should be used showing site progression. Chairman Lavis stated that by the June meeting the draft 2007 budget needs to be reviewed.
 - 3. New 10 year Long Range Plan** – The budget committee has not met on this issue. Ms. Roberts gave a brief overview of the 10 year plan contents and the assumptions used. This will be reviewed prior to the next meeting.
- B. Funding Priorities Committee** –
 - 1. Proposed Revision of the E & E model** – Ms. Gaylord received the new E& E scoring model. There are old aspects of the old model that are still part of the new model, so the corrections will

be changed to the electronic model. The model will be distributed to all Board members as soon as it is ready.

C. QBS Reform Committee

- 1. What Next** – Chairman Lavis requested the committee meet.

VIII. Other Business – None.

- IX. Public Comment** – Nancy Peterson, Deputy Director Environmental Services City of Tucson, acknowledged all the work going on at WQARF sites. Ms. Peterson highlighted activities at the Broadway Pantano site and indicated that due to drought conditions the City of Tucson will be activating production wells that previously had not been needed. Ms. Peterson also commented that because of the work at the Broadway Pananto site previously inactive wells are able to go on line. Ms. Peterson complimented the department on working with the city to make sure that transition goes smoothly. Ms. Peterson indicated that more wells will be needed in the future as the drought continues and the city will try to speed up the cleanup as the site moves towards final remedy. Ms. Peterson also inquired about having a WQARF Board meeting in Tucson in the future.

- X. Adjournment-** Mr. Wallwork moved and Ms. Barr seconded to adjourn the meeting.